



**LACONIA CITY COUNCIL
BUDGET WORK SESSION
APRIL 23, 2012
CITY HALL – CONFERENCE ROOM 200A
6:00 P.M.**

CALL TO ORDER:

Mayor Seymour called the meeting to order at the above date and time.

ATTENDANCE:

The following Councilors were in attendance: Councilor Doyle, Lahey, Lipman, Baer, Hamel and Bolduc.

Also in attendance: City Manager Scott Myers, Finance Director Donna Woodaman, Assessor Jon Duhamel, Superintendent of Water Works Seth Nuttelman, Water Commissioner Gregory Page, Chief of Police Chris Adams, Captain Bill Clary, Police Commissioner Warren Clement and Police Commissioner Armand Maheux.

ASSESSING – ASSESSOR JON DUHAMEL (Pg. 29-33)

Mr. Duhamel reviewed his proposed Fiscal Year (FY) 2012/2013 budget, noting that the bulk of the budget has been leveled funded with the exception of the Maintenance Agreement and Equipment. The Maintenance Agreement line has been increased to allow for an increase from the software vendor, Vision Appraisal. The Equipment line has been increased to reflect the purchase of new computers for staff because this is the year they are due to be replaced.

Councilor Lipman asked for a sense of the workload in the department. Mr. Duhamel replied that last year was very busy in the aftermath of the City wide revaluation which resulted in 442 abatement requests; this year the department has received 156 requests and they are concentrating on the annual updates and researching the details of abatement requests. This has allowed the department to educate the property owners on the information that appears on the tax card and tax billing.

Councilor Lipman asked if there are any specific programmatic goals for the upcoming year. Mr. Duhamel replied that they are constantly striving to complete annual updates to values and preparing for the next revaluation, which will need to be completed in 2015 per State mandate.

Mayor Seymour asked for specific tasks of the software vendor. Mr. Duhamel explained that they are contracted to complete the value updates and repair any software issues that may arise. The vendor has increased the cost to maintain the software for the upcoming year.

Councilor Lipman asked if there was justification for the increase in the Supplies line item. Mr. Duhamel explained that they have not increased the request from prior years. Councilor Lipman noted that the actual cost for FY 2010/2011 was \$815 in comparison to \$4,000 being requested in the past two FY's.

Mr. Duhamel replied that he will investigate but feels that FY 2010/2011 is not typical; Finance Director Woodaman commented that year to date the department has expended \$2,200 of the \$4,000 budgeted for FY 2011/2012.

City Manager Myers pointed out that in the Salaries line, for all departments in City Hall, there will be a noted change for potential rate increases. There is a separate line item for Health Insurance and Benefits that is in addition to Salaries and it will appear together in the Finance budget.

Councilor Lipman noted that the postage for this department appears to be higher than necessary. Finance Director Woodaman replied that year to date they have expended \$625 of the budgeted amount for FY 2011/2012. Councilor Lipman replied that he understands this is small amounts but wants to set the tone that even though they are small amounts large increases will need to be justified.

With no further questions for Mr. Duhamel, Mayor Seymour thanked him for his presentation.

LACONIA WATER DEPARTMENT – SUPERINTENDENT SETH NUTTELMAN (Pg. 139-154)

Superintendent (Supt.) Nuttelman reviewed the FY 2012/2013 budget, which has increased by less than 1% from FY 2011/2012. There was a rate increase effective January 1, 2012 that took the cost from \$1.15 to \$1.45 per 100 cubic feet. The average family of four will pay approximately \$225 per year for water consumption. Supt. Nuttelman stated that income is expected to increase by 8.5%.

The Salaries line does include a 2% Cost of Living Adjustment (COLA) as well as step increases. There is also liability associated with an individual that is now eligible for retirement and is entitled to pay out of earned time.

Councilor Lipman asked for a monetary figure associated with the increase in Salaries broken down for COLA and steps. Supt. Nuttelman advised that he does not have the individual dollars and cents but could provide that the increases could be attributed to being 1/3 step increase and 2/3 COLA increase.

Supt. Nuttelman referred the Council to page 141 of the proposed budget and reviewed Distribution Expenses. It was advised that there is an increase in Maintenance of General Structures to allow for the heating costs of the new maintenance facility on Stark Street.

Councilor Baer commented that the Medical Insurance line has decreased by \$41,000 over FY 2011/2012. Supt Nuttelman explained that when the budget was built, they had received a guaranteed decrease from Local Government Center (LGC) and at this time the Commission is looking at a rate comparable to other City employees with contributions of 12%. Councilor Lipman asked if the 12% is a contribution to premium alone or additional cost sharing and copayments. Supt. Nuttelman replied that the 12% is being applied to the premium and there are additional costs for other services. Supt. Nuttelman explained the makeup of the current plan for the Council.

Councilor Lipman commented that if the department is in a lower risk pool then the rates should be lower if they are on a comparable plan to other departments within the City. Supt. Nuttelman replied that the premium is less and there is no deductible and they do not offer multiple plans. Councilor Hamel replied that they are still getting a very good deal if they don't have a deductible.

Councilor Baer asked if there were ongoing contract negotiations with the Town of Belmont. Supt. Nuttelman replied that the only contract negotiations ongoing at this time are for a private project and

there is no other activity. Councilor Hamel asked if the approval of the private project would need to be approved by the Council. Supt. Nuttelman replied that it would because the prior was a tentative approval. Councilor Hamel asked if the project has received extensions to the permits. Supt. Nuttelman replied that they had.

Supt. Nuttelman reviewed the Capital Budget located on page 152. Notable lines include the contribution to treatment plant upgrades, equipment needs, technology needs and work on Stephen Street, Dewey Street, Centenary Ave and the Main Street Bridge. Councilor Hamel asked if there is allocation for the pipe work that would need to be done when the Huot Technical Center is renovated and extended. Supt. Nuttelman replied that they have not and that the work needed for either option of the upgrade of the Center is going to be very involved for the department.

Councilor Lipman asked if the budget includes any increases in rates. Supt. Nuttelman replied that there is no anticipated increase in rates for the upcoming budget and noted that consumption has leveled out but they have accounted for a 5% decrease.

With no further questions, Mayor Seymour thanked Supt. Nuttelman for his presentation.

POLICE DEPARTMENT – CHIEF ADAMS & CAPT CLARY (Pg. 80-86)

Chief Adams presented and reviewed a prepared booklet to the Council. (See Attachment #1)

Councilor Lipman asked if the assaults that are occurring are better classified as caused by over indulgence in alcohol or domestic in nature. Chief Adams replied that the majority is non-domestic. Councilor Lipman asked if there is mapping of the locations of these events for review. Chiefs Adams replied that there is and he will share that information later in his presentation.

Councilor Lahey commented that he is surprised that the crimes involving narcotics is down. Chief Adams replied that there are many different reasons why numbers change; in this case the department has one detective dedicated to narcotic investigation when they could easily have two additional and still be relatively busy. Councilor Lipman asked what the statistics would look like if there was an investment in additional personnel. Chief Adams replied that traditional law enforcement techniques are not going to solve the issues of narcotic use in our community, but rather a community effort to stand up and say that we are not going to tolerate the distribution and use in our community. Additional personnel would be helpful, but will not resolve the issue.

Councilor Lipman asked what the workers compensation modification factor is for the department. Capt Clary replied that the Safety Board has been very beneficial with trainings on this item as it relates to preventable situations. Councilor Lipman asked how it relates on the experience modification factor scale with a one being the average. Capt Clary replied that although the motor vehicle claims have been higher this past year, only one resulted in a worker's compensation claim therefore the claims are low. Councilor Lipman replied that this is generally representative of the work culture and environment. The department will get the index number for the Council.

Councilor Lahey asked if the high number of homeless population is from people who choose to be homeless rather than live in a structured environment, such as a shelter. Chief Adams replied that Homeless Outreach Project made information accessible to the individuals in this situation, but there are so many factors involved in someone being homeless. Some individuals think that it is easier to live on the streets than to have the responsibilities of paying bills and working, which require rules and

guidelines. Regardless of why they are homeless, the department has involved community partners to try and reduce the numbers of individuals that are homeless and living on the streets.

With the time allotted for this session coming to an end, Mayor Seymour closed the Budget Session at 7:00 p.m. and noted that it will continue after the opening of the regular Council Meeting.

A True Record Attest:

Mary A. Reynolds
City Clerk

2:09:50